

STATE OF HAWAII
DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES

ANNUAL REPORT OF
STADIUM AUTHORITY
STADIUM SPECIAL FUND
STATEMENT OF RECEIPTS, EXPENDITURES AND TRANSFERS
FOR THE FISCAL YEAR ENDED JUNE 30, 2007
PURSUANT TO SECTION 109-3, HAWAII REVISED STATUTES

SUBMITTED TO
THE TWENTY-FOURTH STATE LEGISLATURE

Stadium Authority
Stadium Special Fund
Discussion on the Statement of Receipts, Expenditures, and Transfers
For the Fiscal Year Ended June 30, 2007

For the fiscal year ended June 30, 2007, the operations of the Stadium contributed \$2.6 + million to the stadium special fund (Fund). The balance in the Fund at June 30, 2007 was \$7,257,361.58. The operating results were comprised of the following significant components.

REVENUES

The stadium's major sources of income are the swap meet and food and beverage concessions, which account for fifty-five percent and twenty-one percent of the total revenue respectively. Revenue earned from the swap meet and the food and beverage concessions was \$7.1 million in fiscal year 2007. The U2 Vertigo World Tour Concert generated record ticket and concession sales, which brought in a crowd of 42,000 + and revenue of \$755,000. The total revenue for the period was \$9,383,915.43.

EXPENDITURES

The stadium's major expenditures were \$3.5 million in payroll costs, \$909,000 in utility costs (telephone, electricity, water, sewer, and refuse), \$579,000 in central services assessments and \$556,000 in services on a fee basis. Payroll costs represent fifty-three percent and utility costs represents fourteen percent of total expenditures. The total operating expenditure for the period was \$6,718,721.02. This fiscal year's excess revenue of \$2,665,194.41 is used to fund small capital improvement projects (CIP) or to purchase and upgrade equipment.

A CIP was executed this past fiscal year. This project provided improvements for various administrative offices and the conference room at the stadium. Work included replacement of ceilings, drapery, carpets, lighting fixtures, and refinishing of walls. The project cost was approximately \$186,000. This project improved these office spaces from their deteriorated condition, and will provide stadium management a more suitable office environment when dealing with promoters, licensees, government officials, and guest.

During this fiscal year, an improved ticket scanning format was utilized at entry gates for all major events at the stadium. The scanning system has been implemented to read all ticket formats: UH-issued season tickets, hard tickets issued by Aloha Stadium Box Office and on-line purchased tickets. This advanced technology has shortened the transaction time at the entry gates, which enable customers to enter in a quicker manner.

Stadium Authority
Stadium Special Fund
Statement of Receipts, Expenditures, and Transfers
For the Fiscal Year Ended June 30, 2007

Beginning fund balance, July 1, 2006		\$ 4,592,167.17
Receipts		
Swap Meet	\$ 5,181,298.09	
Food and Beverage	1,986,065.75	
Parking	742,206.50	
Miscellaneous	208,719.90	
Rent	534,853.15	
Advertising	280,737.88	
National Football League	250,000.00	
Interest	200,034.16	9,383,915.43
Expenditures		
Personnel Services	(3,564,906.04)	
Utilities	(909,887.04)	
Central Services Assessment	(579,259.00)	
Miscellaneous	(347,017.60)	
Repairs and Maintenance	(376,730.16)	
Services on a Fee Basis	(556,355.19)	
Supplies	(252,449.85)	
Workers' Compensation	(81,044.55)	
Insurance	(35,189.00)	
Unemployment	(15,882.59)	(6,718,721.02)
Ending fund balance, June 30, 2007		\$ <u>7,257,361.58</u>